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Date: January 8, 2002

To: Wisconsin Works Agency Directors  
Workforce Development Board Directors

From: Eric Baker, Administrator

Subject: Workforce Attachment and Advancement (WAA) Allocations

W-2 agencies recently received a contract modification which included WAA allocations for the period beginning July 1, 2002 which were less than the allocations previously issued. There was some misunderstanding about the WAA allocations that I would like to address.

The Workforce Advancement and Attachment (WAA) allocations were affected by the Legislature in the Biennial Budget that signed by the Governor on August 30, 2001. The final budget included \$7.8 million for both tracks of WAA for SFY 03 (July 1, 2002 through June 30, 2003). There were no new funds allocated for the period July 1, 2001 through June 30, 2002. Although DWS and W-2 agencies talked about the reduced allocations at the September W-2 Contract and Implementation Committee meeting, we may not have been as clear about the impact on individual agencies as we could have been.

The W-2 contracts that were issued in September included incorrect allocations for WAA. Although other allocations had been updated for changes from the biennial budget, the Division inadvertently missed updating the WAA allocation. The formula that was used was correct (i.e., Wisconsin Statutes defines which case types are included in the formula for WAA funds for W-2 agencies); however, the total dollars available was incorrect.

W-2 contract amendments were sent out in late December 2001 to show the corrected WAA allocation for W-2 agencies based on an available \$3.8 million rather than a projected \$10 million. The \$3.8 million is for the state fiscal year beginning July 1, 2002. WDBs will also have \$3.8 million available for the state fiscal year beginning July 1, 2002.

For the W-2 and Job Access Loan allocations previously issued, we projected funding for the last six months of the contract period (July 1, 2003 through December 31, 2003) even though funds for that period are not appropriated until the next biennial budget cycle. For WAA, an additional \$1.95 million is projected to be available for each of the

two tracks. In order to assist in your planning and management processes, we are considering issuing another contract supplement to the W-2 contracts to provide each agency with its proportionate share of the projected \$1.95 million.

To provide for the continuation of services during the six-month funding gap between January 1, 2002 and June 30, 2002 the Division worked with W-2 agencies and Boards to allow a six-month time extension of the contracts that ended December 31, 2001. In addition to the time extension, the Division de-obligated and re-obligated some of the WAA funds to best meet the program needs throughout the state (see Administrator's Memo #01-26).

I am committed to improving communications with both the W-2 agencies and the WDBs so that we all have timely information for decision making and management of our programs.

If you have questions, please feel free to direct them to your Contract Manager or Local Program Liaison.

cc      Contract Managers  
         Local Program Liaisons